

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

HUNTSVILLE-SOUTH HILL WATER)	
ASSOCIATION, INC.)	
)	
_____)	CASE NO. 93-175
)	
ALLEGED VIOLATIONS OF COMMISSION)	
REGULATIONS 807 KAR 5:006 AND)	
807 KAR 5:066)	

O R D E R

On May 11, 1993, Huntsville-South Hill Water Association, Inc. ("Huntsville-South Hill") was directed by Order to appear before the Commission to show cause why it should not be penalized pursuant to KRS 278.990 for failure to comply with Commission regulations. The Order arose out of a utility inspection report by an investigator for the Commission charging Huntsville-South Hill with three violations of Commission regulations. A hearing was held before the Commission on July 23, 1993 at which a representative from Huntsville-South Hill appeared but was not represented by counsel.

FINDINGS OF FACT

Huntsville-South Hill is a non-profit corporation that owns, controls, and operates facilities used in the distribution and furnishing of water for compensation to residents of the Huntsville and South Hill communities in Butler County. Huntsville does not have a treatment facility of its own and purchases all of its water for resale from the Rochester Water District. On September 15,

1992, a utility investigator for the Commission inspected Huntsville-South Hill's facilities for compliance with Commission regulations. As a result of the inspection, the investigator reported three conditions which he cited as violations of Commission regulations. The conditions cited as violations were:

1. The utility failed to file periodic meter reports required by 807 KAR 5:006, Section 3(2).

2. The utility failed to maintain appropriate inspection records required by 807 KAR 5:006, Section 25(3).

3. The utility failed to provide its customers information regarding the chemical constituents and bacteriological standards of the water sold to its customers.

PERIODIC METER REPORTS

All gas, electric, and water utilities that use meters to bill their customers for service, are required by 807 KAR 5:006, Section 3(a), to file periodic reports of tests performed on their meters. The reports must be filed on forms prescribed by the Commission. In the case of water utilities the Commission has prescribed a quarterly report.

Huntsville-South Hills's last meter report was filed in September 1988. Its failure to file subsequent meter reports was noted in three earlier utility inspection reports issued on August 17, 1989, November 30, 1990, and October 11, 1991. By way of explanation, for its failure to file the reports, Huntsville-South Hill stated that no reports were filed because it had not conducted any tests. However, the form, which is incorporated by reference

into the regulation, requires a report even though no tests were conducted during the period covered by the report.

INSPECTION RECORDS

Water utilities are required to periodically inspect their facilities and equipment. The frequency of inspection varies from one piece of equipment to another. 807 KAR 5:006, Section 25(3), further requires utilities to maintain records of the inspections, including deficiencies found and corrective actions taken. Huntsville-South Hill does not maintain such records and by way of explanation stated it did not know what inspection procedures were referred to in the inspection report.

CUSTOMER INFORMATION

807 KAR 5:066, Section 2(1), requires water utilities to provide their customers upon request a written description of the chemical constituents and bacteriological standards of the treated water they sell. Although this information was available from its supplier, the Rochester Water District, Huntsville-South Hill did not have copies for its customers. No explanation was offered for this failure.

CONCLUSIONS OF LAW

Huntsville-South Hill is a utility subject to the jurisdiction of this Commission and required to comply with the Commission's regulations. As a utility, Huntsville-South Hill is in willful violation of the following regulations.

1. 807 KAR 5:006, Section 3(2), for failing to file quarterly meter reports relative to its meter testing program.

2. 807 KAR 5:006, Section 25(3), for failing to maintain appropriate inspection records, including deficiencies found and corrective action taken.

3. 807 KAR 5:066, Section 2(1), for failing to maintain for its customers' information a written description of the chemical constituents and the bacteriological standards of the water that it provides.

For each violation, a penalty of \$500 should be assessed against Huntsville-South Hill. Huntsville-South Hill should further be directed to abate the violations within 30 days and certify to the Commission that the violations have been abated. For each violation abated within 30 days, \$400 of the penalty for the violation should be suspended.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that:

1. Huntsville-South Hill is in willful violation of 807 KAR 5:006 and 807 KAR 5:066 and shall pay within 30 days a penalty of \$500 each for each condition cited in violation of the regulation.


2. Huntsville-South Hill shall, within 30 days of the date of this Order, abate the violations and shall certify to the Commission in writing that the violations have been abated. For each violation abated within 30 days, \$400 of the penalty for the violation shall be suspended.


3. All penalties due here shall be paid by certified check or money order made payable to the Kentucky State Treasurer, and

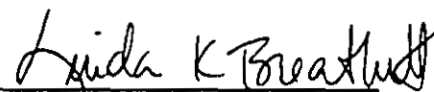
mailed to the Kentucky Public Service Commission, Office of General
Counsel, P. O. Box 615, Frankfort, Kentucky 40602.

Done at Frankfort, Kentucky, this 20th day of October, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director